

RETIREMENT LEGISLATION

7 June 1956

1. The Senate has passed a bill (S. 3638) and forwarded to the House, on behalf of the U. S. Information Agency, which would give to its Director the right to establish a retirement system patterned after the retirement system of the Foreign Service (retirement at age 50 after 20 years of service, etc.). This system would apply only to U. S. Information Officers, to be selected and appointed by the Director of USIA (an estimated 1,000 persons out of a total of 10,000). It is believed that the Senate Committee on Foreign Relations, which strongly recommended passage of the bill, was influenced by the authority, also contained in the bill, for the Director of USIA to establish selection panels for promotion and "selection out."

2. The pertinent sections are quoted below:

"UNITED STATES INFORMATION OFFICERS

"SEC. 1013. (a) In accordance with regulations prescribed by him and after suitable examination, the Director of the United States Information Agency may appoint persons to be known as United States Information Officers. Such officers shall be appointed, promoted, and retained on the basis of merit and fitness and may be separated only in accordance with law. Except for the limitations of time contained in sections 522 and 527 of the Foreign Service Act of 1946, as amended, all provisions of law not inconsistent herewith which are applicable to Foreign Service Reserve Officers shall be applicable to United States Information Officers, and the Director shall be guided by the policies and principles prescribed in those sections. The Director shall establish such examining and selection boards or panels as may be necessary for use in the appointment, promotion, and separation of United States Information Officers.

"(b) Any United States Information Officer may be separated by the Director for unsatisfactory performance of duties, but only after a review of his case by, and opportunity for a hearing before, an impartial advisory board appointed by the Director. The Director shall also provide for the periodic appraisal of such officers and, in accordance with regulations prescribed by him, may separate those who are consistently ranked below a minimum level prescribed for their class.

"(c) The Director may establish an independent retirement and disability system for the benefit of the United States information officers based on the provisions of the Foreign Service Act of 1946, as heretofore or hereafter amended. Any officer separated pursuant to subsection (b) hereof shall be entitled to the payments or retirement benefits prescribed in sections 634 or 637 of that Act, as appropriate."

3. Summaries of the Foreign Service Retirement system, the Civil Service Retirement System, and the proposed CIA Retirement system are as follows:

C-I-A I-N-T-E-R-N-A-L U-S-E O-N-L-Y

C-I-A I-N-T-E-R-N-A-L U-S-E O-N-L-Y

Retirement - Foreign Service Act Civil Service Retirement Act CIA Proposed Accelerated Retirement

1. ELIGIBILITY FOR RETIREMENT

Foreign Service Officer 50 years of age may apply, and with the consent of the Secretary, retire and receive benefits.

2. COMPULSORY CONTRIBUTIONS

3% of basic salary

3. ANNUITIES (earliest retirement - after 30 years - w/full annuity)

Foreign Service Officer whose last 5 years of service prior to retirement was at the rate of \$6,000 would receive an annuity of \$3,600 at age 50.

4. ACCELERATED PROVISIONS

An additional 6 months service is credited for each complete year of duty at an unhealthful post and proportionate amounts at lesser periods.

1. ELIGIBILITY FOR RETIREMENT

Federal employees 62 years of age may apply for retirement.

2. COMPULSORY CONTRIBUTIONS

6% of basic salary

3. ANNUITIES (earliest retirement - after 30 years - w/full annuity)

A Federal employee whose highest 5 years was at \$6,000 would receive an annuity of \$2,700 at age 62.

4. ACCELERATED PROVISIONS

None

1. ELIGIBILITY FOR RETIREMENT

CIA employee would be eligible for retirement at age 50 only if he had 24 years of overseas service.

2. COMPULSORY CONTRIBUTIONS

6% of basic salary

3. ANNUITIES (earliest retirement - after 30 years - w/full annuity)

A CIA employee whose highest 5 years was at \$6,000 with 15 years of CIA overseas and 15 years of other creditable service would receive an annuity of \$3,375 at age 54½.

4. ACCELERATED PROVISIONS

a. Each year of service outside the continental United States as an employee of the Agency after 18 September 1947 shall be credited as 1½ years of service and each such year shall serve to lower the retirement ages prescribed in the Civil Service Retirement Act by 6 months: Provided, that voluntary retirement shall not be allowed until such person shall have reached 50 years of age. Such additional credits shall be granted proportionately for fractional years of service.

b. No annuity paid under the Civil Service Retirement Act shall be reduced solely because the annuitant has retired at an age lowered in accordance with the provisions of sub-section (a) of this section. The base age provided by the Civil Service Retirement Act for computing a percentage reduction in annuities shall be reduced by the same amount as the reduction in retirement age made in accordance with sub-section (a) of this section.

C-I-A I-N-T-E-R-N-A-L U-S-E O-N-L-Y